

Message Text

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ACTION OES-07

INFO OCT-01 ARA-14 ISO-00 CIAE-00 DODE-00 DOTE-00
EB-08 FMC-02 INR-07 NSAE-00 CG-00 DLOS-09 OMB-01
TRSE-00 /049 W

-----055906 162034Z /72

R 161535Z AUG 77

FM AMEMBASSY CARACAS
TO SECSTATE WASHDC 8808
INFO AMCONSUL RIO DE JANEIRO
USDOC WASHDC

UNCLAS CARACAS 8130

DEP. PASS R. BOURDON, MARITIME ADMINISTRATION
RIO FOR MARATT KINSELLA

E.O. 11652: N/A

TAGS: EWWT, VE

SUBJ: PORT CONGESTION: INP PRESIDENT RESIGNS AS PORT CRISIS
CONTINUES.

1. SUMMARY: PORT CONGESTION INCREASES AS PORTS BEGIN TO REFLECT
PEAK SEASON TRAFFIC, INP PRESIDENT LAURO TORRES RESIGNS.
CONFERENCE SHIPPING LINES ANNOUNCE PORT CONGESTION SURCHARGES FOR
FOUR VENEZUELAN PORTS. DECREES FOR BONDED STORAGE AREAS OUTSIDE OF
PORT AREAS AND FOR LIBERALIZED CUSTOMS PROCEDURES ARE FINALLY
PASSED INTO LAW. ARMED FORCES OFFER AID TO BELEAGUED INP.
END SUMMARY.

2. ON AUGUST 11TH. ING. LAURO TORRES RESIGNED AS PRESIDENT OF
THE NATIONAL PORTS INSTITUTE (INP) AFTER 11 MONTHS IN OFFICE.
TORRES' RESIGNATION IS FELT BY MANY OBSERVERS TO BE A CONSE-
QUENCE OF HIS FAILURE TO SOLVE THE CRISIS OF VENEZUELA'S PORT
SITUATION. HIS REPLACEMENT WILL BE DR. ENRIQUE SAMANIEGO,
DIRECTOR OF HIGHWAYS, MINISTRY OF TRANSPORT AND COMMUNICATIONS.
SAMANIEGO IS ALSO DIRECTOR OF THE NEW METRO (CARACAS SUBWAY)
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CORPORATION. LEO MOOY, GENERAL MANAGER OF H.L. BOULTON & CO.,
WAS NAMED AS A NEW DIRECTOR OF THE INP.

3. ON AUGUST 8TH, THE U.S. NORTH ATLANTIC AND GULF COAST
CONFERENCES ANNOUNCED A \$15.25 PER TON PORT SURCHARGE FOR THE
PORTS OF PUETO CABELLO AND LA GUAIRA, AND AN \$8.00 PER TON
SURCHARGE FOR GUANTA AND MARACAIBO. OTHER SHIPPING CONFERENCES

WERE QUICK TO FOLLOW SUIT. AVERAGE FREIGHT COST PER TON ON FREIGHT BOUND FOR VENEZUELA HAS RISEN FROM \$86.00 TO \$150.00 IN ONE YEAR. VENEZUELAN PRESS REACTED NEGATIVELY TO THESE SURCHARGES BY POINTING OUT THEIR INFLATIONARY EFFECT ON THE VENEZUELAN ECONOMY. HOWEVER, THE NATIONAL MERCHANT FLEET, CAVN, IS A MEMBER OF THE CONFERENCES AND HAD TO GIVE ITS APPROVAL BEFORE THE INCREASES WERE ALLOWED. PORT CONGESTION SURCHARGES WERE IMPLEMENTED BY THE VESSEL OWNERS AS A RELATIVELY UNDESIRABLE BUT NECESSARY ALTERNATIVE TO RAISING BASIC FREIGHT RATES, FROZEN BY THE GOV IN JANUARY OF 1977.

4. DURING THE WEEK OF AUGUST 8TH, THE GOV ALSO ANNOUNCED ENACTMENT OF TWO LONG-AWAITED DECREES:

1. BONDED STORAGE AREAS WILL BE ESTABLISHED AWAY FROM THE PORT AREAS TO PREVENT IMPORTERS DELAYS IN CLAIMING THEIR SHIPMENTS FROM MAKING THE PORT BOTTLENECKS YET MORE CRITICAL.

2. HEREAFTER, CUSTOMS CLEARANCE DOCUMENTS WILL BE ACCEPTED FOR PROCESSING BY CUSTOMS AUTHORITIES BEFORE THE SHIP CARRYING THE CARGO COVERED BY THE DOCUMENTS HAS DOCKED, WHICH WILL SHORTEN DELAYS IN DISCHARGING CARGOS, ONCE THE VESSEL HAS DOCKED. A COMMISSION WAS CREATED TO OVERSEE THE IMPLEMENTATION OF THESE DECREES.

5. MINISTER OF DEFENSE, GENERAL FERNANDO PAREDES BELLO, HAS
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OFFERED THE ASSISTANCE OF THE ARMED FORCES IN CLEARING UP PORT CONGESTION. MILITARY TRUCKS WILL HAUL CARGO AWAY FROM PORTS AND MILITARY INSTALLATIONS MAY BE USED AS AUXILIARY BONDED STORAGE AREAS.

6. AS PORT CONGESTION STEADILY WORSENS, COMPETITION AMONG SHIPPING LINES FOR PRIORITY BERTHING STATUS IS HEIGHTENING AND QUESTIONS ARE BEING RAISED IN THE LOCAL PRESS ABOUT HOW PRIORITIES ARE BEING, AND SHOULD BE, ESTABLISHED.
VAKY

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PORT CONGESTION, PERSONNEL RESIGNATIONS
Control Number: n/a
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Decaption Note:
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Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
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Disposition Event:
Disposition History: n/a
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Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
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Image Path:
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Legacy Key: link1977/newtext/t19770859/aaaabxmv.tel
Line Count: 104
Litigation Code IDs:
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Litigation History:
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Office: ACTION OES
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
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Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1593066
Secure: OPEN
Status: NATIVE
Subject: PORT CONGESTION: INP PRESIDENT RESIGNS AS PORT CRISIS CONTINUES.
TAGS: EWWT, VE, (TORRES, LAURO)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/2009635a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009